

~~CONFIDENTIAL~~DEXA/LLD  
INCOMING

FRP: ,2,3, . . . ,8

STATE

25X1

83 1981425 SCR

PAGE 001  
TOR: 251651Z AUG 83

NC 1981425

25X1

RR RUEAIB  
ZNY CCCCC ZOC STATE ZZH  
STU8144  
RR RUEHC  
DE RUMJPG #2894/01 2351006  
ZNY CCCCC ZZH  
R 230955Z AUG 83  
FM AMEMBASSY BEIJING  
TO RUEHC/SECSTATE WASHDC 9951  
INFO RUMJNG/AMCONSUL HONG KONG 0475  
RUEHIN/AIT TAIPEI  
RUEHUL/AMEMBASSY SEOUL 2856  
RUEHKO/AMEMBASSY TOKYO 2823  
RUHQHQA/CINCPAC HONOLULU HI  
RUEHMO/AMEMBASSY MOSCOW 5046  
ZEN/AMCONSUL GUANGZHOU POUCH  
ZEN/AMCONSUL SHANGHAI POUCH  
BT

C O N F I D E N T I A L BEIJING 12894  
CINCPAC ALSO FOR POLAD

E.O. 12356:DECL:OADR

TAGS: PGOV, UR, TW, CH, US

SUBJ: CODELS AT HALF-TIME: SOME POINTERS FOR THE  
WEINBERGER VISIT

1. CONFIDENTIAL - ENTIRE TEXT.
2. SUMMARY: HALFWAY THROUGH THIS MONTH'S VERY HEAVY SCHEDULE OF CONGRESSIONAL VISITS, THE CHINESE ARE WORKING TO CREATE A HARMONIOUS ATMOSPHERE FOR THE WEINBERGER AND WU VISITS. THEY ARE EMPHASIZING BOTH THEIR EXPECTATIONS OF PROGRESS ON THE TECHNOLOGY TRANSFER ISSUE AND ALSO THE IMPORTANCE OF THIS ISSUE IN THE CHINESE EYES FOR FURTHER DEVELOPMENT OF SINO-AMERICAN RELATIONS. AT THE SAME TIME, THE CHINESE ARE TRYING TO PUT THEIR BEST FOOT FORWARD ON THE TAIWAN ISSUE. IN ADDITION TO A FIRM BUT RESTRAINED RHETORIC ON TAIWAN IN DISCUSSIONS WITH CODELS, AN MFA OFFICIAL CONFIRMED TO THE DCM WINSTON YANG'S VERSION OF DENG'S REMARKS ON TAIWAN ARMS PURCHASES AFTER "REUNIFICATION" AND ON CONTINUED TAIWAN MEMBERSHIP IN THE ADB. END SUMMARY.
3. WE NOW STAND AT ABOUT THE HALFWAY MARK IN THIS MONTH'S HEAVY SCHEDULE OF CONGRESSIONAL VISITS TO CHINA. CONGRESSMAN SOLARZ COMPLETED HIS THREE-DAY VISIT TO BEIJING ON AUGUST 14 (BEIJING 12416); CODEL WRIGHT SPENT TWO DAYS IN SHANGHAI ONLY FROM AUGUST 9 TO 11. CODEL PRICE SPENT AUGUST 19-22 IN BEIJING BEFORE DEPARTING FOR SHANGHAI AND SUZHOU. (VERBATIM TRANSCRIPTS OF SUBSTANTIVE DISCUSSIONS HAVE BEEN POUCHED TO EA/C). SENATOR JACKSON IS NOW IN THE NORTHEAST AFTER FIVE DAYS IN BEIJING (BEIJING 12686); HE WILL RETURN FOR A FEW MORE DAYS IN THE CAPITAL.

~~CONFIDENTIAL~~

**CONFIDENTIAL**

83 1981425 SCR

PAGE 002  
TOR: 251651Z AUG 83

NC 1981425

AUGUST 26 CODEL ADDABBO REACHED BEIJING AUGUST 21. CODELS HATCH AND BONKER WILL BE ARRIVING SHORTLY.

4. FOR ALL THE DELEGATIONS, THE RECEPTION HAS BEEN A WARM ONE AND ACCESS IN BEIJING HAS BEEN GOOD. CONGRESSMAN SOLARZ MET WITH FOREIGN MINISTER WU XUEQIAN. CODEL PRICE MET WITH STATE COUNCILLOR JI PENGFEI AND WAS HOSTED AT DINNER BY VICE MINISTER HAN XU. SENATOR JACKSON HAS MET WITH WU XUEQIAN AND EXPECTS OTHER MEETINGS ON HIS RETURN FROM HEILONGJIANG. WITHOUT EXCEPTION, PRC SPOKESMEN HAVE USED THESE MEETINGS TO INDICATE A VERY POSITIVE, OPTIMISTIC ATTITUDE TOWARD THE FORTHCOMING VISIT BY SECRETARY WEINBERGER. IN SEVERAL CASES, CHINESE INTERLOCUTORS HAVE REFERRED SPECIFICALLY TO TECHNOLOGY TRANSFER ISSUE IN DISCUSSING THE WEINBERGER VISIT. SENATOR JACKSON WAS TOLD THAT THE PRC HOPED SECRETARY WEINBERGER WOULD "COME WITH SOMETHING IN HIS POCKET" ON TECH TRANSFER. WU XIUQUAN, IN HIS CAPACITY AS CHAIRMAN OF THE BEIJING INTERNATIONAL INSTITUTE OF STRATEGIC STUDIES (BIISS), TOLD CODEL PRICE THAT CHINA HAD A SPECIAL BODY STUDYING WHAT SORT OF U.S. TECHNOLOGY CHINA WANTED TO BUY AND THAT THIS QUESTION WOULD BE DISCUSSED WITH WEINBERGER. STATE COUNCILLOR JI PENGFEI ALSO EMPHASIZED THE TECH TRANSFER ISSUE IN HIS DISCUSSION WITH THE PRICE GROUP, CITING IT AS ONE OF TWO MAJOR ISSUES IN SINO-AMERICAN RELATIONS. JI SAID THAT DISCUSSIONS OF THIS ISSUE WERE NOW GOING ON BETWEEN CHINA AND THE U.S., THAT THEY WERE GOING WELL, AND THAT THE CHINESE SIDE HOPED THAT THE RESULTS OF THESE DISCUSSIONS WOULD BE IMPLEMENTED SO THAT THE SINO-AMERICAN RELATIONSHIP COULD GROW. REITERATING A REMARK MADE RECENTLY BY GENERAL SECRETARY HU YAOBANG TO JAPANESE JOURNALISTS, JI ALSO ARGUED THAT CHINA NEEDED AND WANTED ONLY "INTERMEDIATE" LEVEL TECHNOLOGY, NOT THE HIGHEST, AND THAT CHINA'S REQUIREMENTS IN THIS AREA SHOULD POSE NO PROBLEM FOR THE U.S.

5. THE OTHER MAJOR ISSUE IN US-CHINA RELATIONS TO WHICH JI REFERRED WAS, OF COURSE, TAIWAN, AND HERE TOO CHINESE SPOKESMEN HAVE MADE MORE EFFORT THAN USUAL TO PUT THEIR BEST FOOT FORWARD. BOTH WU XIUQUAN AND JI PENGFEI DUCKED THE TAIWAN ISSUE IN THEIR INITIAL PRESENTATIONS TO CODEL PRICE. ASKED SPECIFICALLY ABOUT TAIWAN, WU EMPHASIZED DENG'S RECENT REMARKS TO CINCPAC ALSO FOR POLAD

E.O. 12356:DECL:OADR  
TAGS: PGOV, UR, TW, CH, US  
SUBJ: CODELS AT HALF-TIME: SOME POINTERS FOR THE PROFESSOR YANG THAT TAIWAN COULD MAINTAIN ITS OWN SOCIAL SYSTEM AND ARMY AND NEED ONLY ACCEPT USE OF THE PRC FLAG AND A "UNIFIED" FOREIGN POLICY. RATHER PLAINTIVELY, WU SAID THAT HE AND CHIANG CHING-KUO WERE OLD CLASSMATES (FROM THE SOVIET UNION) AND SAID THEY SHOULD BE ABLE TO DISCUSS THIS ISSUE. DURING HIS RESPONSE TO A GENERAL QUESTION ON US-CHINA RELATIONS, JI AT FIRST LIMITED HIMSELF TO NOTING TAIWAN AS A SPECIAL, SENSITIVE ISSUE IN SINO-AMERICAN RELATIONS AND SAYING THAT CHINA HOPED THE U.S. WOULD RESPECT CHINA'S SOVEREIGNTY AND, IN DEVELOPING RELATIONS WITH CHINA, BEAR IN MIND THE PRINCIPLES LAID DOWN IN THE NORMALIZATION COMMUNIQUE. JI SAID THAT "IF THE U.S. HANDLES THIS ISSUE PROPERLY, CHINA WOULD NOT SAY ANYTHING AND SINO-AMERICAN RELATIONS WOULD CONTINUE TO IMPROVE." FACED WITH A DIRECT STATEMENT BY CONGRESSMAN DYSON THAT THE U.S. "WOULD BE IN A POSITION TO USE FORCE IF THE INTEGRITY OF TAIWAN WAS THREATENED", THE NORMALLY HARDLINE JI RESPONDED WITH A FIRM BUT NON-POLEMICAL STATEMENT OF THE CHINESE POSITION: "WE ARE STRIVING FOR PEACEFUL REUNIFICATION OF TAIWAN AND THE MOTHERLAND AND WE HOPE FOR IMPROVED RELATIONS WITH THE U.S. BUT IF

**CONFIDENTIAL**

**CONFIDENTIAL**

83 1981425

SCR

PAGE 003

NC 1981425

TOR: 251651Z AUG 83

TAIWAN, UNDER U.S. INSTIGATION, CONTINUED TO STICK TO ITS POSITION, WE WILL HAVE TO USE FORCE AND, IF WE USE FORCE, WE ARE NOT AFRAID OF INTERVENTION (BY THE U.S.) (THE U.S.) SHOULD SEE THIS CLEARLY AND NOT PLACE A POLITICAL BURDEN ON YOURSELF." EVEN WHEN CONFRONTED WITH THE ISSUE, DIRECTLY, HOWEVER, JI'S PRESENTATION LACKED THE VEHEMENCE WE HAVE OFTEN SEEN ON THIS ISSUE IN PAST YEARS. IN THE CASE OF CODEL ADDABBO, BISS VICE CHAIRMAN XU XIN READ A STANDARD, RATHER MECHANICAL, PRESENTATION ON TAIWAN, EMPHASIZING THE NEED TO LIVE UP TO THE NORMALIZATION COMMUNIQUE. CPIFA PRESIDENT HAO DEQING ALSO RAISED TAIWAN WITH SENATOR JACKSON IN A VIGOROUS BUT LESS HEAVY-HANDED FASHION THAN IS HIS WONT.

6. AUGUST 19 COMMENTS BY AN MFA OFFICIAL TO THE DCM CONCERNING FOREIGN MINISTER WU XUEQIAN'S CONVERSATION WITH CODEL SOLARZ FURTHER HIGHLIGHT CHINA'S EFFORTS TO DISPLAY A MODERATE, FLEXIBLE POSTURE ON THE TAIWAN REUNIFICATION ISSUE. THIS SOURCE REITERATED WU XUEQIAN'S CONFIRMATION THAT DENG HAD, IN FACT, TOLD WINSTON YANG THAT TAIWAN WOULD BE ALLOWED TO PURCHASE ARMS FROM ABROAD AFTER "REUNIFICATION." (AMONG OTHER THINGS, THIS OFFICIAL'S REMARKS SUGGEST TO US THAT WU'S CONFIRMATORY STATEMENT WAS A FULLY STAFFED, PREPARED POSITION). OUR SOURCE HIMSELF ALSO CONFIRMED YANG'S REPORT OF DENG'S POSITION ON CONTINUED PARTICIPATION BY TAIWAN IN THE ADB, ASSUMING APPROPRIATE ARRANGEMENTS COULD BE MADE.

7. IN DISCUSSION OF STRATEGIC QUESTIONS, THE CHINESE HAVE BEEN ATTEMPTING TO STRIKE UNIFORMLY POSITIVE NOTES. IN MARKED CONTRAST TO RECENT PUBLIC STATEMENTS CONDEMNING BOTH U.S. AND SOVIET HEGEMONISTIC ASPIRATIONS, THE FOCUS OF CODEL PRICE DISCUSSION' OF SECURITY ISSUES WITH WU XIUQUAN, FOR EXAMPLE, WAS ON THE SOVIET THREAT ALONE, WITHOUT THE SLIGHTEST HINT OF "EQUIDISTANCE" IN THE CHINESE STRATEGIC OR POLITICAL POSTURE. WU SAID THAT, AT HIS AGE, HE DIDN'T EXPECT TO SEE NORMALIZATION OF RELATIONS BETWEEN CHINA AND THE USSR. ASKED ABOUT THE DIFFERENCES BETWEEN THE USSR AND CHINA, WU EXPOUNDED AT LENGTH ABOUT THE HEGEMONISTIC, EXPANSIONISTIC SOVIETS.

8. COMMENT: IN THIS STRING OF CONGRESSIONAL VISITS, THE TAIWAN ISSUE AGAIN HAS PROVED ITSELF AN UNODGEABLE BULLET. NEVERTHELESS, THE CHINESE POLITICAL BAROMETER FOR THE WEINBERGER VISIT IS CLEARLY SET ON FAIR, AND ONLY AN INDICATION OF A SETBACK IN LIBERALIZATION OF U.S. GUIDELINES FOR TECHNOLOGY EXPORTS TO CHINA SEEMS LIKELY TO PRODUCE A CHANGE. HUMMEL

END OF MESSAGE

CONFIDENTIAL

**CONFIDENTIAL**